



CITY OF
RALEIGH



COMMUNITY
DEVELOPMENT
DEPARTMENT

City of Raleigh

Community Development News

Spring/Summer 2008 Volume 4, Issue 1

FROM THE DIRECTOR, MICHELE GRANT

Our newsletter is a welcome opportunity for us to let you know what is going on in the Community Development Department. It is our way of sharing information about current projects we have that will make positive differences in the lives of many of our citizens.

Items in this issue include a feature on foreclosure prevention resources, photos from our "CD Week" event in March, homeownership information, information about Hope Crest Special Needs Housing, and an article on Barrington Village subdivision.

Our regular Employee Spot-

light column introduces you to members of our CD staff. Our newsletter cannot cover all of our activities, so please visit our website at **www.raleighnc.gov/communitydevelopment**. There you will find updates on new projects and announcements of interest to community residents. I invite you to take a look at recent additions to our website, such as the addition of a foreclosure prevention assistance page.

As always, your feedback and comments are important to us. Please give us a call at **857-4330** or email us at: **cd.info@ci.raleigh.nc.us** for more information and assistance.

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Important Numbers:

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Construction	857-4351
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Special Housing Programs	857-4343
Strategic Planning	857-4340





FORECLOSURE PREVENTION

no one benefits when a home falls into foreclosure. The same study estimates that a typical mortgage lender will lose between \$40,000 and \$50,000 in net value when a home loan is foreclosed. Hence, it becomes in both the homeowner and the lender's interests to find a solution to foreclosure.

The question then is: what to do when you are facing foreclosure? The national HOPE Hotline, a joint project between NeighborWorks America and

the Homeownership Preservation Foundation, works to provide assistance and counseling to help homeowners avoid foreclosures. The HOPE Hotline toll-free number **888-995-HOPE** is available 24 hours a day, 7 days a week at no charge. When you call, a counselor will advise and assist you with ways to solve your financial problem. For local assistance, Triangle Family Services also offers financial aid and case management services for families facing eviction. They can be contacted at **919-821-0790**. Foreclosure can be prevented.

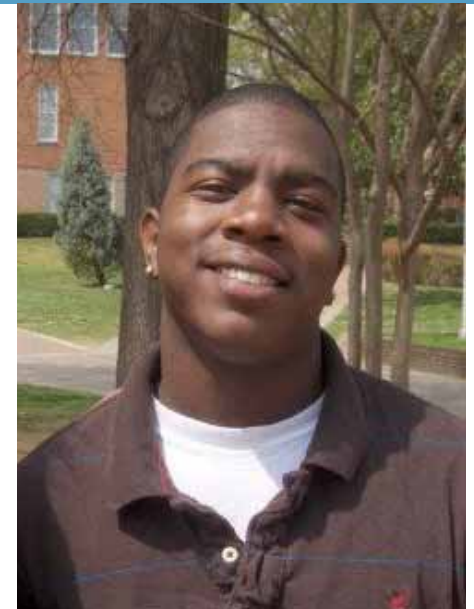
PROPERTY MANAGEMENT INTERNSHIP PROGRAM HIGHLIGHT: THEODORE FEASTER

The Community Development Department owns more than 200 units across Raleigh that are rented to low-income individuals and families. Barker Realty manages our portfolio, and Theodore Feaster recently completed an internship with Barker. A junior Business Administration major with a minor in Real Estate Management at St. Augustine's College, Theo was born in Chicago, IL. After finishing up his NC Broker's Pre-licensing Course and graduation, Theo plans to pursue a Master's Degree in Urban Planning.

Theo has been engaged in

many activities at the College, including membership in the Institute of Real Estate Management (IREM) and a participant in the Honda Campus All Star Challenge Team for three years. This team is a quiz bowl program for Historically Black Colleges and Universities (HBCU) and Predominantly Black College or University (PBCU).

At Saint Augustine's College, all of the real estate courses are under the guidance of the Center for Real Estate Management and Development, which provides an opportunity to learn about property management in a very "hands on" way. All of the property management courses



are taught by active practitioners from the conventional apartment and commercial management industries.

EMPLOYEE SPOTLIGHT

LARRY BROOKS



You may have seen him in the neighborhood, with hammer, nails and toolbox, checking out City-owned properties. His name is Larry Brooks and he joined the Community Development Department in November last year as our Property Manager/Rehab Specialist in our Construction Division.

Larry is no stranger to construction. He began working with his family's masonry business when he was a teenager and continued his career in construction-related fields, including real estate operations specialist, and an inspector for the City of Durham. He also worked for a non-profit organization, placing people in

four year construction training programs.

Larry monitors the condition of CD properties, ensuring vacant structures are secured and the lots well-maintained until they are redeveloped. He is in daily contact with citizens, inspectors and contractors. His background and experience help him to respond to all with quiet professionalism.

He enjoys the outdoors and sports and has volunteered for Habitat for Humanity, where he was not only physically active, but able to apply his construction knowledge and help communities at the same time.

EMPLOYEE SPOTLIGHT

JANELL CABRAL

Janell Cabral joined our Loan Division in February this year. She is new to Community Development, and so is her position – Senior Loans Specialist.

She originally hails from New York City, but she came to Raleigh 12 years ago with her daughter and has loved the area ever since. "I was tired, tired, tired of the cold weather and snow," she said. "North Carolina is beautiful." Before joining the City of Raleigh, she worked as a Financial Sales Officer for

Centura, then as a Financial Specialist for Wachovia. That position led her to Wachovia Mortgage and underwriting, which in turn led her to us.

Janell loves the outdoors – roller skating, motorcycling, gardening, and the beach. She enjoys all kinds of music, including jazz, classical, and samba. "I love laughing, and I love smiling," she says. It shows when you talk with her. The only thing she doesn't like is people who try to put her or others down. We're enjoying working with Janell – and you will too.





CDBG WEEK 2008

Festivities marked the end of the 2008 Community Development Block Grant (CDBG) Week on March 28, 2008.

Taking place at 602 East Hargett Street, the Community Development Department used this occasion to showcase the many ways in which CDBG funded-activities significantly improve the

Entrance to 602 E. Hargett--
where it all begins



Free popcorn for all



quality of life for the citizens of Raleigh. This day-long event was open to the public. CD received a good turnout of interested residents, as well as employees from both public and private agencies.

Besides having a number of photo displays and maps showing recent and future CDBG-funded activities, the open house also featured Congressman Brad Miller addressing his support for CDBG and affordable housing.

A self-guided walking tour map (as shown on next page) and a free bus tour of CD activities were also offered for those interested.



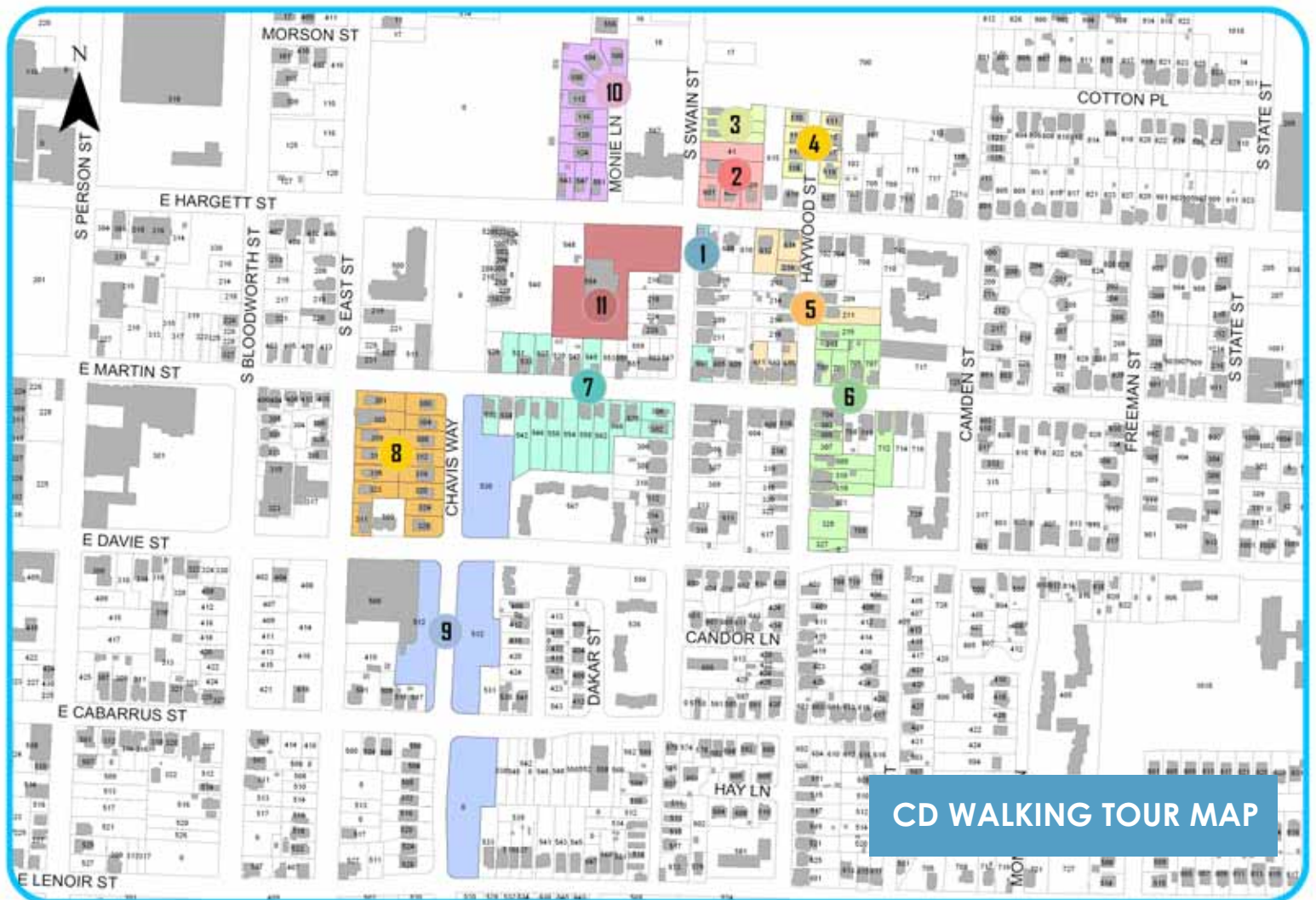
Congressman Brad Miller

Left: City Manager J. Russell Allen

Center: A visitor looking at the map display

Right: CD staff talking to a local resident





1. 602 East Hargett. This former business is now an attractive 3-bedroom home and options for reuse are being investigated.
2. Edenton Place II. Six infill houses and four rehab rental units were completed in 2001.
3. Historic Shotguns. Formerly dilapidated shotgun houses are now rehatted affordable rental units for eligible city residents.
4. 100 Block at Haywood. In 1986, the City purchased these substandard houses, rehatted, and sold them for homeownership.
5. Martin-Haywood Phase I. These historic homes were acquired, rehatted and sold to low-income homeowners.
6. Future projects – Martin-Haywood Phase II. Currently vacant, these lots will soon be undergoing redevelopment.
7. Martin Park. 16 infill houses were successfully built and sold for homeownership.
8. Irving Park. 13 infill houses were sold to low-to-moderate income homebuyers.
9. Chavis Greenway. This greenway provides recreational open space for residents.
10. Raleigh Oaks. 9 new construction projects were vital in bringing more infrastructure to the area.
11. YWCA. CDBG funds assist NC Homebuilders Association in classes at the Y for unemployed and underemployed individuals in carpentry. The program has donated several sheds to the Y.



RENTAL DEVELOPMENT

Hope Crest is a ten-unit affordable rental housing development located at 1721 Poole Road in southeast Raleigh. This unique development is designed to provide housing for ten very low-income, chronically homeless persons with disabilities.

CASA acts as both the owner and manager of the property.

The city provided a loan of up to \$300,000 in the form of second-mortgage financing.

All ten units come with two bedrooms which will provide housing for those earning less than 30% of the Area Median Income, or \$15,700 for an individual. Construction began in August 2007 and is scheduled for completion by the end of July 2008.

HOPE CREST



HOMEBUYER REHABILITATION

Are you interested in purchasing a home that is within the City limits of Raleigh that needs significant repairs? If so and your household makes less than 80% of the Raleigh Median Income (\$41,950 for a single person, \$47,900 for a 2 person household, \$53,900 for 3 person, \$59,900 for 4 person), you may be eligible for the City of Raleigh's Homebuyer Rehabilitation Program. This program can provide up to 100% financing for the purchase and the repairs for the home at a 3% interest rate. For instance, if the house is listed at \$60,000 and needs \$25,000 in repairs, you could qualify for an \$85,000 loan and have monthly principal and interest payments of \$358.36. Other conditions and restrictions apply. For more information, contact Community Development at 919-857-4330 or at cd.info@ci.raleigh.nc.us.



ITEMS OF INTEREST

New Logo

After a number of years, the Community Development Department now has a new logo. Our new dynamic logo represents the traditional City logo, in addition to reinforcing CD's mission of providing affordable housing to City residents.



Info on Foreclosure

For more information on foreclosure prevention, please visit the Community Development website at www.raleighnc.gov under Community Development Department.

FIRST TIME HOMEOWNERSHIP

BARRINGTON VILLAGE

Barrington Village is the name of a new and exciting venture located 15 minutes away from downtown Raleigh off Barwell Road. Houses that would normally be torn down to make way for bigger houses are being moved to the subdivision and rehabilitated as affordable housing opportunities for low to moderate income families.

Nancy Murray, the Executive Director of Builders of Hope, decided that these houses needed to be saved and she developed a way not only to make the houses affordable but gathered a group of knowledgeable staff, volunteers, and service organizations to help the plan come to be.

Twenty-four houses now sit on lots in Barrington Village. Most are nearing completion. New foundations, plumbing, electrical systems, and in most cases roofs, mean the houses are indistinguishable from new construction. The village is designed so all houses have some common features that help them fit

into the subdivision plan.

Using the City of Raleigh's First Time Homebuyer Program, Rev. Phil Brickle became the first homeowner in Barrington Village in February of 2008. He has been impressed with all the commitment to producing affordable housing. "As a pastor, I am not often speechless, but I am at a loss for words in describing how overwhelmed I am when I look at the transformation. To be a first-time home owner and to come from a very small, dilapidated trailer to the home of my dreams is beautiful."



To learn more about the City of Raleigh's First Time Homebuyers Programs visit: www.raleighnc.gov/communitydevelopment. To learn more about Builders of Hope visit: www.buildersofhopenc.org



Rev. Brickle at Closing with Kim Hubbard from Community Development Department

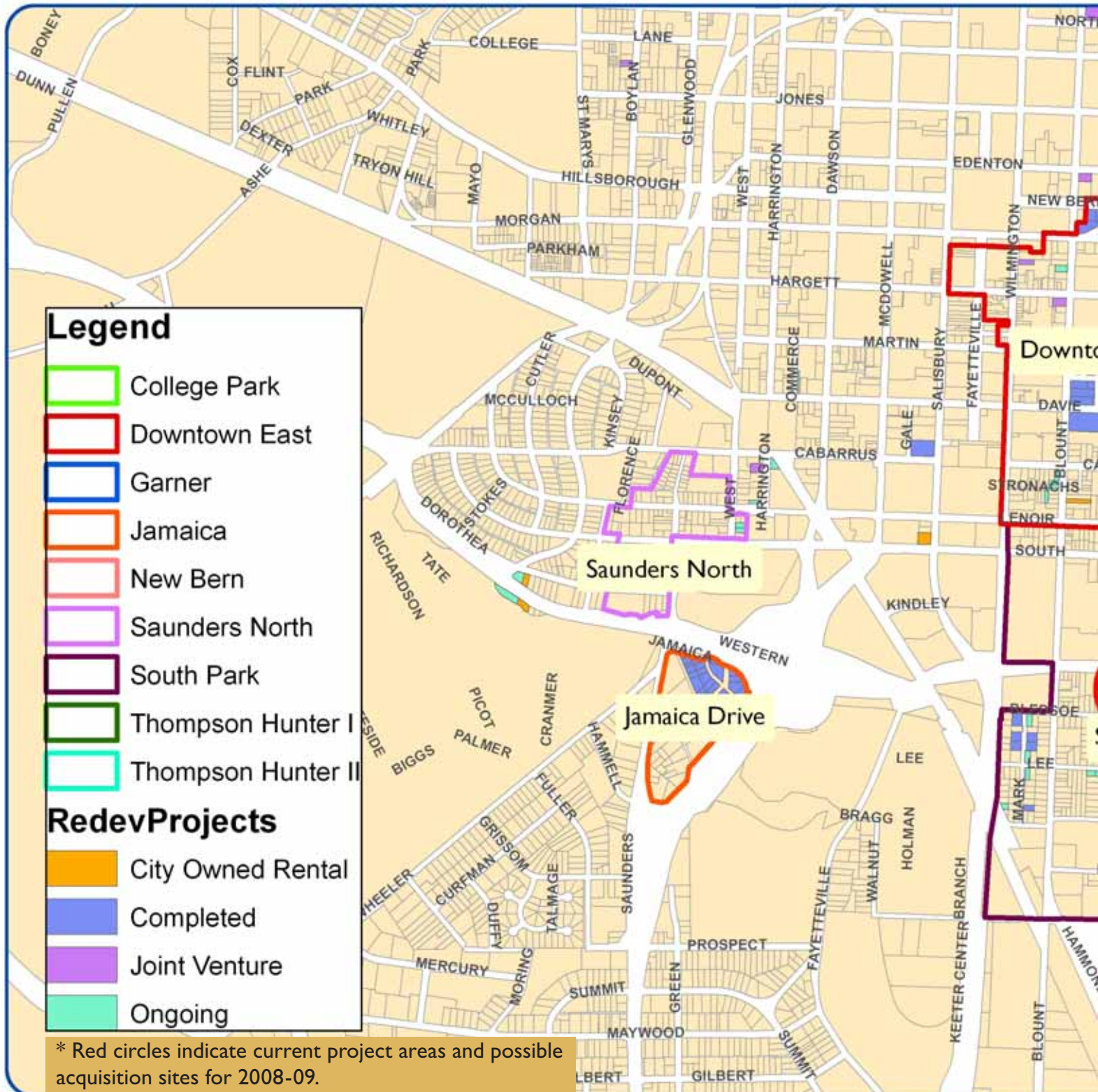


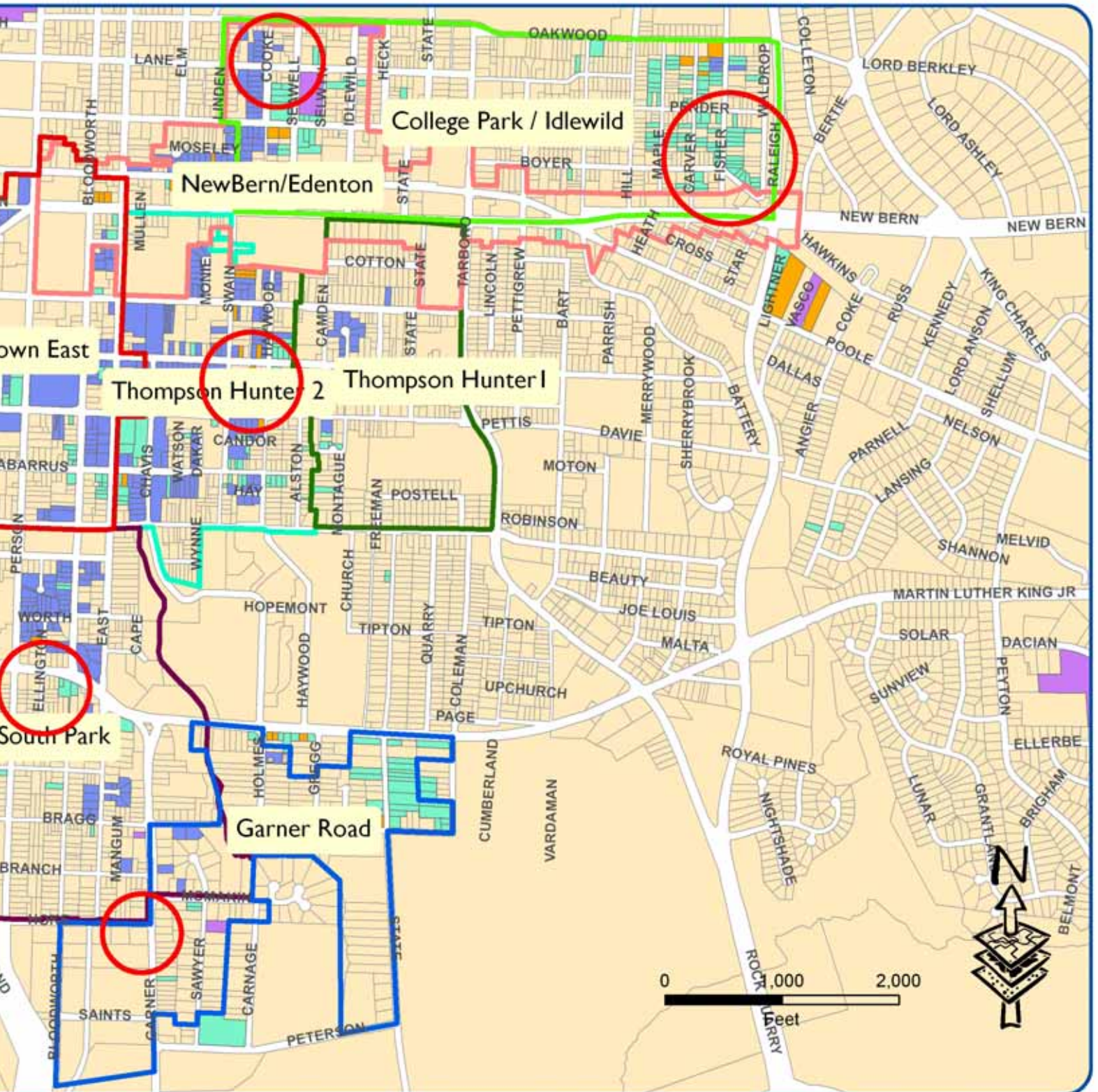
First House rehabilitated at Barrington Village is Reverend Brickle's new home



Rev. Phil Brickle at his new house

Above left: Nancy Murray, Executive Director of Builders of Hope, and Reverend Phil Brickle





DEVELOPMENT AREAS



2008-2009 COMMUNITY DEVELOPMENT ACTION PLAN



Idlewood Village is a Habitat for Humanity project. The City provided second mortgage funds to these 1st time homebuyers.



At least 70% of Cooke Street Phase II will be sold to low-or moderate-income homebuyers.

The Action Plan describes the City's plans for the expenditure of Federal housing dollars for the coming fiscal year. It spells out activities of two (2) major formula grants: Community Development Block Grant (CDBG) and Home Investment Partnerships Program (HOME). The plan also focuses on neighborhood revitalization activities funded with CDBG funds and local initiatives supported with City funds. Economic development activities and special partnerships with nonprofits and private entities are also described in the plan.

In FY 2008-09, the City anticipates funding a housing program totaling approximately \$12,038,852 from federal and local resources. Programs that will continue to be funded include the Joint Venture Rental and Homeownership programs, Housing Rehabilitation for elderly and low-income owners, Second Mortgages for First-time homeowners, Purchase of City-owned Housing for very low-income renters, and a job-training program. Neighborhood revitalization activities include acquisition of substandard housing, relocation of eligible households and businesses, demolition of dilapidated structures and development incentives such as infrastructure improvements to downtown housing sites.

Preserving continuity with the 2005 Consolidated Plan, the City's housing needs remain: housing development, neighborhood revitalization and economic development to benefit the City of Raleigh. The housing program is designed to serve the housing needs of four major groups of its residents: first time home buyers, low-income renters, households needing rehabilitation assistance, and special populations including homeless and disabled persons.

2008 Income Limits for HUD Programs

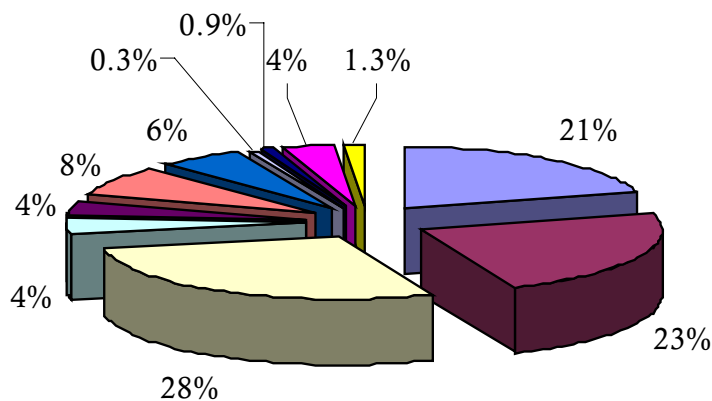
% AMI	Family Size							
	1	2	3	4	5	6	7	8
30%	\$15,700	\$17,950	\$20,200	\$22,450	\$24,250	\$26,050	\$27,850	\$29,650
40%	\$20,960	\$23,960	\$26,960	\$29,960	\$32,360	\$34,760	\$37,160	\$39,560
50%	\$26,200	\$29,950	\$33,700	\$37,450	\$40,450	\$43,450	\$46,450	\$49,450
60%	\$31,440	\$35,940	\$40,440	\$44,940	\$48,450	\$52,140	\$55,740	\$59,340
70%	\$36,680	\$41,930	\$47,180	\$52,340	\$56,630	\$60,830	\$65,030	\$69,230
80%	\$41,950	\$47,900	\$53,900	\$59,900	\$64,700	\$69,500	\$74,300	\$79,050

%AMI = percentage of area median income, adjusted for family size. 30% and below = extremely low-income, 31-50% = very low-income, 51-60% = low-income, and 61-80% = moderate income



City of Raleigh Programs (does not include administrative costs)

Program	CDBG	HOME	Bond	City	Beneficiaries or Rehabbed or Produced Units	Total
Redevelopment	\$1,512,715		\$500,000		52	\$2,012,715
Housing Rehab	\$407,767	\$543,540	\$1,100,000	\$147,404	121	\$2,198,711
Owner/Rental JV		\$1,000,000	\$1,500,000	\$250,000	106	\$2,750,000
CHDO Set-Aside		\$308,249		\$77,062	5	\$385,311
Efficiency Apts			\$400,000		5	\$400,000
2nd Mortgages		\$15,109	\$675,000	\$35,000	48	\$725,109
Rental Units/Rehab			\$375,000	\$206,358	5	\$581,358
Homeowner Counsel	\$33,500				50	\$33,500
Public Services	\$83,500				250	\$83,500
Economic Development	\$125,000				22	\$125,000
Total	\$2,162,482	\$1,866,898	\$4,550,000	\$715,824	664	\$9,295,204



- Redevelopment
- Housing Rehabilitation
- Owner/Rental Production JVR
- CHDO Set-Aside
- Efficiency Apts (SRO)
- Second Mortgages
- Acquisition of Rental Units/Rehab
- Homeownership Counseling
- Public Services
- Environmental, Maintenance

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